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TWENTY-SECOND ANNUAL
REPORT

OF THE

Alberta

Liquor Control Board

OF THE

PROVINCE OF ALBERTA

1945

(FROM 1st APRIL, 1945, TO 31st MARCH, 1946)

PUBLISHED BY ORDER OF THE LEGISLATIVE ASSEMBLY



EDMONTON

Printed by A. Shnitka, King's Printer

1947

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ALBERTA LIQUOR CONTROL BOARD

Edmonton, 14th February, 1947.

THE HONOURABLE ERNEST C. MANNING,
Premier,
Parliament, Buildings,
Edmonton, Alberta.

Sir:

I have the honour to submit herewith the Report of the Alberta Liquor Control Board, covering the fiscal period from the 1st April, 1945, to the 31st March, 1946.

I have the honour to be, Sir,

Your obedient servant,

JOHN A. KING,
Chairman

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REPORT OF THE ALBERTA LIQUOR CONTROL BOARD

INTRODUCTION

The Alberta Liquor Control Board presents herewith its Twenty-second Annual Report.

This covers operations for the twelve month period ended 31st March, 1946.

Happily, the European War was brought to a victorious conclusion on the 8th May, 1945, but War-time restrictions of necessity remained in effect for some considerable time thereafter. On the 3rd August, 1945, the Dominion Government repealed its restrictions with regard to supplies and strength of liquors, but shortages of matured Spirits in the hands of Distillers made it impossible to immediately remove quotas.

As additional merchandise becomes available, these quotas will, from time to time, be modified.

Financial Statements and Appendices are included herein.

LICENSES

The five Breweries licensed by the Board have continued in operation, and their products have met with acceptance by the public.

We again have to report a substantial turnover in Hotel properties. As at 31 December, 1945, licenses were in effect with respect to 371 Hotels, but during the year 73 of these Hotels had changed hands, and one additional Hotel was sold and the license discontinued. As licenses are not transferable, this meant that a total of 445 licenses were actually issued, of which number 74 were cancelled at the time of the sale of the properties.

Eight licensees were penalized by way of suspension of license privileges or the withholding of supplies.

Four of these suspensions were a result of serving minors in the Beer Room, two owing to unsatisfactory conduct of the premises, and two for failure to observe and carry out the instructions of the Board.

Officials of the Alberta Hotel Association have at all times given unstintingly of their time and assistance in all matters pertaining to their industry, and for their co-operation the Board is most appreciative.

A very large percentage of the Hotels licensed have been conducted in a satisfactory manner, and many very substantial improvements have been carried out with respect to premises and appointments during the year. There remains, however, a great deal to be done in order to regain the standard which is the aim of the Board with respect to licensed Hotels in this Province. During the long War years both materials and labour were difficult to obtain, with a result that some properties were permitted to de-

ALBERTA LIQUOR CONTROL BOARD

teriorate, but now that the War is over, licensees must expect the demands of the Board to be more extensive and the fullest co-operation will be expected if licenses are to be continued.

Fifty Club licenses were issued during the year. These included licenses with respect to Golf and Country Clubs, which ceased to be operative after the end of October.

Licenses were issued to Canteens operated under the auspices of the Armed Forces at forty-two locations.

LOCAL OPTION

Two Local Option Plebiscites were held during the month of December, 1945.

In both instances a substantial majority of the voters indicated their preference for the issuance of Beer Licenses in the areas covered by the Plebiscite.

The cost of holding the votes was defrayed by the Board.

FLAVOURING EXTRACTS AND ESSENCES

During the Calendar Year ended 31st December, 1945, licensees to the number of 1865 were issued, authorizing the sale by retail of Extracts and Essences containing alcohol. The maximum size of the container in which these preparations may be stocked and sold by retail is 5 ounces.

The Board found it necessary to cancel 12 of these licenses for cause.

DISTRIBUTION OF BEER

Added purchasing power in the hands of the public is reflected in the increased sale of beer as shown in the Financial Statements. These figures are substantially in excess of those for the previous year, in spite of the fact that rationing was necessary owing to shortage of containers, both Kegs and Bottles in the hands of the Breweries being in short supply and replacements difficult to obtain.

All products of the Breweries were subjected to periodic analysis by the Provincial Analyst, and his Reports indicated that Alberta Beers compare favourably with those brewed elsewhere.

LAW ENFORCEMENT

The Board takes this opportunity of expressing, through the medium of this Report, its appreciation of the co-operation and assistance of the Officers of the Royal Canadian Mounted Police, and of the City and Municipal Police Forces, who are entrusted with the enforcement of the provisions of the Government Liquor Control Act of Alberta.

GENERAL REMARKS

There was a slight decrease in the number of Permits issued during the Calendar Year ended 31st December, 1945, from the number issued in the previous year.

ANNUAL REPORT, 1945

A sum of \$197,585.75 was realized from this source, and was paid over direct to the Provincial Treasurer, in accordance with the provisions of the Act.

During the year 592 Permits were cancelled. Of this number, 217 were held by persons interdicted.

Interdiction Orders placed during the fiscal year numbered 317, and in the same period, 179 Orders were revoked. In addition, 102 Orders became null and void, owing to the elapse of the statutory period of Five Years from the date of interdiction, thus leaving 717 Orders in force as at the 31st March, 1946.

The number of Prescriptions for liquor issued by Medical Practitioners was still substantially larger than the average of years before rationing of liquor was necessary, but at 3,788 was practically 1,000 less than during the previous fiscal year.

Individual Sales to Permittees totalled 3,624,561, at an average for each sale of \$5.12.

The Board, through its Warehouses and Stores, made 37,861 separate sales to licensees.

Permittees living at points at which no Government Liquor Store is located, but at which a recognized Express Company maintains an Agent, may have liquor shipped to them through that medium.

The volume of such shipments was substantially less than during the previous year, and represented 63,445 separate shipments, at a cost to the Board for transportation of \$22,101.33.

At points where no Express Agent is maintained, shipments are made through the mails. 4,317 such parcels were dispatched, at a cost for postage of \$3,232.06. This charge was defrayed by the Board.

Approximately 9,325,000 Gallons of Beer were sold by the Board during the period covered by this Report, and of this quantity, some 57,000 Gallons were produced outside the Province.

All Customs and Excise Entries covering goods placed in, and removed from, Bonds maintained at the Warehouses of the Board at Calgary and Edmonton, are prepared by our Staff, and these Entries totalled 2,613 during the year.

Customs and Excise Duties, Sales Taxes, etc., to a total in excess of \$6,679,000.00 were paid to the Dominion Government by the Board and the Breweries of Alberta during the fiscal year.

A tabulation of sales in Imperial Gallons appears below:

	Imported	Domestic
Beer		9,325,000
Wines	20,000	110,000
Liqueurs	400	2,300
Spirits	127,000	216,500
Alcohol, 65 O.P.		107
Alcohol, Absolute		13

ALBERTA LIQUOR CONTROL BOARD

STAFF

The Board takes pleasure in expressing its appreciation of the continued co-operation and efficient service of the Staff at all points throughout the Province.

JOHN A. KING,
Chairman.

J. F. PERCIVAL,
Member.

A. J. MASON,
Member.

ANNUAL REPORT, 1945

STATEMENT "A"
ALBERTA LIQUOR CONTROL BOARD
BALANCE SHEET AS AT MARCH 31st, 1946

ASSETS

Cash on hand, in banks and in transit	\$ 333,531.62
Cash in treasury branches	35,597.25
Inventories:	
Stocks of liquor in bond at cost	\$ 317,767.85
Stocks of liquor in warehouses and stores at warehouse cost	992,960.45
Liquor in transit prepaid	44,570.52
Containers on hand	1,045.67
Accounts receivable	1,356,344.49
Automobiles, furniture and fixtures at cost less reserve for depreciation	52,469.47
Prepaid expenses	2,644.58
Superannuation fund net assets	21,764.24
	289,701.16
	<u>\$2,092,052.81</u>

LIABILITIES

Accounts payable	\$1,267,068.12
Unearned license revenue	49,740.75
Reserves:	
Burglary	\$ 10,000.00
General	400,000.00
Superannuation fund	289,701.16
	699,701.16
Provincial Treasurer:	
Income unremitted, March 31, 1945	\$ 26,888.63
Add: Income for year ended March 31, 1946:	
Liquor profits and license fees	8,051,228.40
Permit fees	172,180.50
	\$8,250,297.53
Less:	
Remittances during year ended	
March 31, 1946	\$8,124,754.75
Transferred to general reserve	50,000.00
	8,174,754.75
	75,542.78
	<u>\$2,092,052.81</u>
Contingent Liability:	
Present value of non-contributory pensions which may be awarded upon employees reaching retirement age	\$ 315,367.00

J. A. KING, Chairman

R. P. LEFROY, Accountant.

Edmonton, Alberta, July 10, 1946.

I have audited the books and records of the Alberta Liquor Control Board for the year ended March 31, 1946.

Physical inventories of liquor and containers were taken at March 31, 1946, by officials of the Board. Quantities were certified by respective warehouse and store managers. Cost of transferring stocks from warehouses to stores was not included in the inventory valuation. Inventories included goods on consignment amounting to \$223,177.09, the corresponding liability being included with accounts payable on the Balance Sheet.

Subject to the foregoing, I certify that, in my opinion, the above Balance Sheet is properly drawn up so as to show the true financial position of the Alberta Liquor Control Board as at March 31, 1946, according to information and explanations given to me and as shown by the books of the Board, and the accompanying Statement of Profit and Loss correctly sets forth the result of operations for the year ended at that date.

C. K. HUCKVALE, C.A., Provincial Auditor.

ALBERTA LIQUOR CONTROL BOARD

STATEMENT "B"

ALBERTA LIQUOR CONTROL BOARD

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 1946

	Liquor	Beer	Total
Gross Sales	\$10,066,155.26	\$17,285,809.26	\$27,351,964.52
Less: Cost of goods sold	5,044,419.53	13,810,316.69	18,854,736.22
	<u>\$ 5,021,735.73</u>	<u>\$ 3,475,492.57</u>	<u>\$ 8,497,228.30</u>
Less: Stores' operating expenses			846,076.66
			<u>\$ 7,651,151.64</u>
Add: Special income:			
License fees	\$	409,326.08	
Less: License expense		24,066.22	
		<u>\$ 385,259.86</u>	
Sundry revenue		49,332.32	
Interest earned on bank balance		5,824.53	
		<u></u>	<u>440,416.71</u>
Net operating profit			<u>\$ 8,091,568.35</u>
Less: Non-operating expense:			
Capitalized value of non-contributory			
pensions awarded	\$	36,591.60	
Permit expense		3,554.27	
Local option plebiscite		194.08	
		<u></u>	<u>40,339.95</u>
Net income for the year ended March 31, 1946			<u><u>\$ 8,051,228.40</u></u>

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STATEMENT "C"

ALBERTA LIQUOR CONTROL BOARD

COST OF GOODS SOLD

FOR THE YEAR ENDED MARCH 31, 1946

Inventory, April 1, 1945:

Liquor	\$ 599,054.68	
Beer	157,065.92	
	<u> </u>	\$ 756,120.60

Add:

Purchases, liquor	\$ 2,050,953.24	
Purchases, confiscated liquor	428.10	
Purchases, Jugs and bottles	56,119.94	
Duty and sales tax	3,171,788.66	
Inward freight	258,525.69	
Marine insurance	8,047.31	
	<u> </u>	
	\$ 5,545,862.94	
Purchases, beer	13,881,709.10	
	<u> </u>	19,427,572.04

\$20,183,692.64

Less:

Cash and trade discounts	\$ 11,567.10	
Claims	6,402.17	
Breakages	258.85	
	<u> </u>	18,228.12

\$20,165,464.52

Less: Inventory March 31, 1946:

Liquor	\$ 1,082,269.97	
Beer	228,458.33	
	<u> </u>	1,310,728.30

Cost of goods sold for the year ended

March 31, 1946.....	<u><u> </u></u>	\$18,854,736.22
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ALBERTA LIQUOR CONTROL BOARD

STATEMENT "D"

ALBERTA LIQUOR CONTROL BOARD
STORES' SALES OF LIQUOR AND BEER
FOR THE YEAR ENDED MARCH 31, 1946

	Net Liquor Sales	Net Beer Sales	Total Sales Liquor & Beer
Banff	\$ 125,502.05	\$ 187,016.28	\$ 312,518.33
Bassano	76,600.46	54,287.55	130,888.01
Blairmore	98,316.15	304,942.47	403,258.62
Cadomin	67,638.74	44,398.90	112,037.64
Calgary West	1,880,316.27	925,803.30	2,806,119.57
Calgary East	613,397.80	469,959.10	1,083,356.90
Calgary Beer		3,236,722.68	3,236,722.68
Calgary M/O	55,020.05	22,202.20	77,222.25
Camrose	187,980.17	579,260.82	767,240.99
Coleman	58,796.20	62,352.00	121,148.20
Coronation	62,508.97	43,539.70	106,048.67
Drumheller	237,571.47	618,977.87	856,549.34
Edmonton North	2,431,232.21	1,486,687.40	3,917,919.61
Edmonton South	502,718.60	376,082.90	878,801.50
Edmonton Beer		3,447,979.62	3,447,979.62
Edmonton M/O	187,027.37	64,319.60	251,346.97
Edson	113,550.19	359,655.20	473,205.39
Grande Prairie	181,455.34	340,766.33	522,221.67
Hanna	85,531.16	58,716.00	144,247.16
High River	141,846.55	96,903.20	238,749.75
Jasper	60,744.55	29,028.65	89,773.20
Lacombe	113,354.13	326,194.04	439,548.17
Lethbridge	588,949.74	465,390.88	1,054,340.62
Lethbridge Beer		863,282.30	863,282.30
Lloydminster	97,100.55	70,817.60	167,918.15
Macleod	100,475.85	120,961.34	221,437.19
Medicine Hat	326,965.02	671,090.14	998,055.16
Milk River	38,360.05	30,593.70	68,953.75
Mundare	84,804.45	71,395.90	156,200.35
McLennan	83,186.16	194,991.87	278,178.03
Nordegg	38,314.35	97,406.05	135,720.40
Peace River	105,621.82	220,915.28	326,537.10
Pincher Creek	51,695.80	38,424.25	90,120.05
Red Deer	269,367.35	444,409.89	713,777.24
Smoky Lake	83,259.45	91,254.30	174,513.75
Stettler	103,527.44	73,692.60	177,220.04
St. Paul	146,144.33	114,438.20	260,582.53
Taber	88,775.25	73,876.15	162,651.40
Vegreville	126,765.76	121,050.20	247,815.96
Vermilion	110,922.58	87,986.50	198,909.08
Wainwright	102,641.25	77,759.50	180,400.75
Wetaskiwin	159,433.93	124,659.90	284,093.83
Willingdon	78,735.70	95,616.90	174,352.60
	<u>\$10,066,155.26</u>	<u>\$17,285,809.26</u>	<u>\$27,351,964.52</u>

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APPENDIX "A"

ALBERTA LIQUOR CONTROL BOARD
STATEMENT SHOWING BREWERS', BEER, CLUB AND
CANTEEN LICENSES ISSUED, WITH RECORD OF
CANCELLATIONS AND SUSPENSIONS

BREWERS' LICENSES ISSUED, 1945

License Number	Name of Brewery	Place
1	Sicks' Edmonton Brewery Limited.....	Edmonton
2	Sicks' Lethbridge Brewery Limited.....	Lethbridge
3	Calgary Brewing and Malting Company, Limited..	Calgary
4	North West Brewing Company Limited.....	Edmonton
5	Big Horn Brewing Company Limited.....	Calgary

SUSPENSIONS OF BREWERY PRIVILEGES, 1945
Nil

NUMBER OF BEER LICENSES IN FORCE AT
DECEMBER 31st, 1945 371

SUSPENSIONS OF BEER LICENSE PRIVILEGES, 1945

Ranfurly Hotel, Ranfurly: George Stefura, Licensee. Beer License No. 257 withheld until January 22nd, 1945. Conduct of licensee unsatisfactory.

Cereal Hotel, Cereal: Cereal Hotel Company Limited, J. A. Waterhouse, Manager, Licensee. Beer License No. 22 suspended from June 1st to June 8th, inclusive, 1945. Serving a minor. (Infraction Section 36.)

Astoria Hotel, Jasper: George Andrew, Licensee. Beer License No. 39. Quota of bottled beer withheld for period from November 1st to November 16th, inclusive, 1945. Failure to observe instructions of the Board.

Athabasca Hotel, Jasper: Paul Andrew, Licensee. Beer License No. 42. Quota of bottled beer withheld for period from November 1st to November 16th, inclusive, 1945. Failure to observe instructions of the Board.

Grimshaw, Hotel, Grimshaw: Grimshaw Hotel (Holdings) Limited, Raoul Fortin, Manager, Licensee. Beer License No. 386 suspended from November 1st to November 10th, inclusive, 1945. Serving a minor. (Infraction Section 36. Government Liquor Control Act of Alberta.)

Mannville Hotel, Mannville: Fred Woytkiw, Mrs. Daria Woytkiw and George Woytkiw, Fred Woytkiw, Manager, Licensees. Beer License No. 253 suspended from November 1st to November 10th, inclusive, 1945. Serving minors. (Infraction Section 36, Government Liquor Control Act of Alberta.)

Clairmont Hotel, Clairmont: Percival Allan Wolff, Licensee. Beer License No. 402 suspended from November 12th to November 21st, inclusive, 1945. Serving a minor. (Infraction Section 36, Government Liquor Control Act of Alberta.)

Strand Hotel, Edmonton: Richelieu Hotel Company Limited, Mrs. Florrie Mainfroid, Manager, Licensee. Beer License No. 31 suspended from November 20th to December 31st, inclusive, 1945. Unsatisfactory conduct of premises.

NUMBER OF CLUB LICENSES ISSUED DURING
THE YEAR 1945 50

SUSPENSIONS OF CLUB LICENSE PRIVILEGES, 1945
Nil

NUMBER OF CANTEEN LICENSES ISSUED DURING
THE YEAR 1945 42

SUSPENSIONS OF CANTEEN LICENSE PRIVILEGES, 1945
Nil

ALBERTA LIQUOR CONTROL BOARD

APPENDIX "B"

ALBERTA LIQUOR CONTROL BOARD

MEMORANDUM OF PERMITS ISSUED FROM
JANUARY 1st, 1945, to DECEMBER 31st, 1945

	Number	Price	Amount
Individual:			
General	393,505	\$.50	\$196,752.50
Special:			
Physicians, Druggists, Dentists and Veterinarians	490	1.00	490.00
Manufacturing, Mechanical and Scientific Pursuits	24	1.00	24.00
Banquets	179	1.00	179.00
Hospitals	84	.50	42.00
Ministers of the Gospel	393	.25	98.25
	394,675		\$197,585.75

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APPENDIX "C"

ALBERTA LIQUOR CONTROL BOARD

STAFF AS AT MARCH 31st, 1946

	Male	Female	Temp'ry and Casual	Total
ADMINISTRATIVE OFFICES:				
Chairman	1			1
Member of Board (part time)	1			1
Secretary to Chairman		1		1
Secretary & Member of Board	1			1
Secretary's Office		1		1
DEPARTMENTS:				
Accountant's	14	4	7	25
Beer Statistics	6	1		7
Licensing	5	1	1	7
Liquor Stocks	5	1		6
Traffic and Customs	3	3	1	7
WAREHOUSES	63	5	25	93
STORES	105		167	272
TOTAL	204	17	201	422

